GOVERNMENT OF INDIA
MINES
LOK SABHA

STARRED QUESTION NO:288
ANSWERED ON:11.03.2003
ROLE OF PANCHAYATS IN MINING OF MINERALS
NARESH KUMAR PUGLIA;SHYAMA SINGH

Will the Minister of MINES be pleased to state:

(a) whether the State Governments have rejected the Union Government`s proposal to invite local bodies in granting mining licences for major minerals as reported in the Business Standard dated January 24, 2003;

(b) if so, the details thereof and the reasons therefor;

(c) the reaction of the Union Government thereto;

(d) whether the Government propose to reconsider their decision on granting mining rights to Panchayati Raj Institutions; and

(e) if so, the details thereof?

Answer

THE MINISTER OF STATE OF THE MINISTRY OF MINES (SHRI RAMESH BAIS)

(a) to (e): A statement is laid on the table of the House.

STATEMENT REFERRED TO IN REPLY TO STARRED LOK SABHA QUESTION NO.288 ASKED BY SMT.SHYAMA SINGH SHRI NARESH PUGLIA REGARDING ROLE OF PANCHAYATS IN MINING OF MINERALS.

The Central Government notified thePanchayats (Extension to the Scheduled Areas) Act, 1996(Panchayats Act, 1996) on 24-12-1996. Section 4(k) of the Act provides that ` the recommendation of the Gram Sabha or the Panchayats at the appropriate level shall be made mandatory prior to grant of prospecting licence or mining lease for minor minerals in the Scheduled Areas` and Section 4(l) of the Act provides that `the prior recommendation of the Gram Sabha or the Panchayats at the appropriate level shall be made mandatory for grant of concession for the exploitation of minor minerals by auction`. After the enactment of the Panchayats Act, 1996, the State Governments were advised to amend their Minor Mineral Concession Rules so as to bring its provisions in tune with the Panchayats Act, 1996.

In order to review and restress the issue regarding empowering local bodies in the matter of granting of mineral concessions, the matter was discussed in the 27th meeting of the Mineral Advisory Council held on 21.9. 2002. It was inter alia recommended by the Council that State Government should incorporate provisions of the PanchayatsAct, 1996 in the State Minor Mineral Concessions Rules and may extend the spirit of Panchayats Act, 1996 voluntarily also to the non-scheduled areas of the States in the matter of granting mineral concessions for minor minerals.. Some State Governments informed the Council that these provisions are already being implemented. State Governments were advised to send a paper indicating the present status of implementation of these provisions in their States within four weeks so that matter could be considered in the Conference of State Ministers of Mining and Geology.

Thereafter it was decided to constitute a Task Force under the chairpersonship of Additional Secretary of the Ministry having members from State Governments, concerned central Ministries and experts in tribal affairs to make appropriate recommendations in this regard for consideration in the Conference of the State Ministers of Mining and Geology.

The said Task Force submitted its report suggesting inter-alia Guidelines for mandatory prior recommendation of Gram Sabhas for grant of mineral concessions for minor minerals in Scheduled Areas and for consideration of similar Guidelines for grant of mineral concession, for minor minerals in non-scheduled areas by the State Governments. The Task Force also recommended Guidelines to be followed by the State Governments before granting Prospecting Licence (PL)/Mining Lease (ML) in Scheduled Areas for major minerals till appropriate provisions are made in Mines and Mineral (Development & Regulation) Act, 1957.

The report of the Task Force was considered in the conference of State Ministers of Mining and Geology held on 22.1. 2003. There was detailed discussion both on the desirability of involving Panchayati Raj bodies in the decision making process for granting mineral concessions and on the practical aspect of implementation of the same. However there was no consensus in the matter. Some States were of the view that States should retain the rights and the responsibility for deciding matters of mineral concessions for minor minerals in non-scheduled areas and for major minerals. Finally it was considered desirable that a Committee of State Ministers should consider the rights and responsibilities given to the States under the Panchayats Act, 1996 to decide whether the Gram Sabha or the Panchayats at the appropriate level should be consulted in matters relating to grant of mineral concessions for minor minerals.

Accordingly as was decided in the conference a committee has since been constituted under the chairmanship of Minister of Mines with Ministers of Mining and Geology of States of Andhra Pradesh, Jharkhand , Madhya Pradesh, Orissa and Rajasthan as members. The terms of reference of the Committee will be to consider and give their recommendations on the following suggestions made by the Task Force:

(i) The Guidelines for giving effect to Panchayats Act, 1996 in respect of grant of mineral concessions for minor minerals in Scheduled Areas.

(ii) Adoption of similar Guidelines in respect of minor minerals for non Scheduled Areas by the State Governments.